



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/312,028	05/14/1999	MARK J. BRITTO	003733.P001	2026

20995 7590 12/21/2001

KNOBBE MARTENS OLSON & BEAR LLP
620 NEWPORT CENTER DRIVE
SIXTEENTH FLOOR
NEWPORT BEACH, CA 92660

EXAMINER

FELTEN, DANIEL S

ART UNIT

PAPER NUMBER

2164

DATE MAILED: 12/21/2001

Please find below and/or attached an Office communication concerning this application or proceeding.

TR

TR

Office Action Summary	Application No. 09/312,028	Applicant(s) BRITTO ET AL.	
	Examiner Felten	Art Unit 2164	

– The MAILING DATE of this communication appears on the cover sheet with the correspondence address –
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on 23 October 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-44 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☐ Claim(s) 1-44 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

- | | |
|---|--|
| 15) <input type="checkbox"/> Notice of References Cited (PTO-892) | 18) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____ |
| 16) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 19) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 17) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) <u>7</u> | 20) <input type="checkbox"/> Other: |

DETAILED ACTION

Response to Arguments

1. Applicant's arguments with respect to claims 1-44 have been considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1, 3-10, 12-27, 29-41, 43 and 44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Stein et al (US 5,826,241) in view of Boston et al ("Boston", US 4,734,564).

Regarding claims 1 and 31:

Stein et al discloses a method of receiving at a computer resource accessible through the Internet a payment request from a party to a two-sided transaction (see *Stein et al*, Abstract).

DETAILED ACTION

Response to Arguments

1. Applicant's arguments with respect to claims 1-44 have been considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1 and 3-10, 12-41, 43 and 44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Stein et al (US 5,826,241) in view of Boston et al ("Boston", US 4,734,564).

Regarding claims 1 and 31:

Stein et al discloses a method of receiving at a computer resource accessible through the Internet a payment request from a party to a two-sided transaction (see *Stein et al*, Abstract).

1 However, Stein et al fails to explicitly disclose performing declining the payment request if the
2 risk management assessment produces an *adverse indication*.

3 Boston discloses declining the payment request if the risk management assessment
4 produces an adverse indication (see Boston, col. 1, lines).

5 It would have been obvious for an artisan of ordinary skill at the time of the invention of
6 Stein et al to employ the declining payment request feature found in Boston, because an artisan
7 would recognize the added security would further deter fraudulent behavior. Such a modification
8 be an obvious expedient to one of ordinary skill in the art.

9
10 **Regarding claim 3:**

11 Stein et al in view of Boston discloses the risk management assessment is performed on the basis
12 of credit and authentication information derived at least in part from customer information
13 received with the payment request (see Stein et al. col. 3, lines 46-51)).

14
15 **Regarding claims 4 and 33:**

16 Stein et al in view of Boston the customer information comprises credit card account
17 information (see Stein et al. col. 3, lines 56-67).

18

19

20

Regarding claims 5 and 34:

Stein et al in view of Boston, the customer information further comprises bank account information (see Stein et al., col. 3, lines 46-51).

Regarding claim 6:

Stein et al in view of Boston, the customer information comprises bank account information (see col. 3, lines 46-51).

Regarding claim 7 and 35:

Stein et al in view of Boston, does not explicitly disclose the bank account information comprises checking account information. However, since it is conventional that bank accounts include both checking and savings accounts by which a user can deposit and/or withdraw funds, it would have been obvious for an artisan of ordinary skill in the art at the time of the invention of Stein et al in view of Boston to employ/provide/include checking account information in order to authorize direct withdrawals for payment of items over the Internet. Thus such a modification would have been an obvious expedient to one of ordinary skill in the art.

1 **Regarding claim 8 and 36:**

2 Stein et al in view of Boston, the risk management assessment is performed on the basis of credit
3 information obtained at least in part from a third party that is not directly associated with said
4 transaction (see Stein et al. col. 3, lines 46-51).

5
6 **Regarding claim 9:**

7 Stein et al in view of Boston the third party is a credit card issuing agency or credit bureau 18
8 (see Stein et al. col. 3, lines 38-67).

9
10 **Regarding claim 10:**

11 Stein et al in view of Boston the third party is a bank 18 (see col. 3, lines 46-51).

12
13 **Regarding claim 12:**

14 The risk management assessment includes an automated component and a non-automated
15 component (see Boston col. 4 , line 30 to col. 5, line 37).

16
17
18 **Regarding claim 13:**

1 The automated component of said risk management assessment relies, at least in part, on risk
2 assessment scoring provided by a third party that is not directly associated with the transaction
3 (see Stein et al. col. 12, lines 65 to col. 13, , line 9).

4
5 **As per claim 14:**

6 Stein et al in view of Deming discloses the payment request includes customer information
7 received in response to one or more solicitations therefor (see Stein et al., col. 3, lines 5-37).

8
9 **As per claim 15:**

10 Stein et al in view of Deming discloses the customer information includes buyer and seller
11 information (see Stein et al., col. 5, lines 3-9).

12
13 **As per claim 16:**

14 Stein et al in view of Deming, the buyer and seller information includes e-mail addresses for one
15 or more parties to the transaction (see Stein et al., col. 5, lines 9-14 and lines 56-67)

16
17 **As per claim 17:**

18 one or more solicitations are presented as Web forms to be completed by at least one party to
19 said transaction (see Stein et al. col. 6, lines 33-46).

1 **As per claim 18:**

2 The payment request includes credit and authentication information for said first party to the
3 transaction (see Stein et al., col. 3, lines 38-67).

4
5 **As per claim 19:**

6 The credit and authentication information includes credit card account information and/or bank
7 account information (see Stein et al., col. 3, lines 38-67).

8
9 **As per claim 20:**

10 The credit and authentication information is received in response to one or more solicitations
11 therefor (see Stein et al., col. 3, lines 38-67; col. 7, lines 34-67).

12
13 **As per claim 21:**

14 The solicitations are presented as Web forms for completion by said first party to said transaction
15 (see Stein et al., col. 6, lines 34-60).

16
17 **As per claim 22:**

18 the payment request comprises: submitting a payment authorization request; and upon receiving a
19 settlement indication regarding said payment authorization request, transmitting said payment
20 (see Stein et al., col. 6, line 62 to col. 7, line 32).

1
2 **As per claim 24 and 43:**

3 Stein et al in view of Deming does not explicitly disclose that the payment is transmitted as a
4 money order. However, since Stein et al contemplates a currency preference exchange (see Stein
5 et al. col. 7, lines 49-67), it would have been obvious to an artisan of ordinary skill in the art at
6 the time of the invention to employ the use of a variety of different currency or payment means in
7 order to transmit usably accepted funds. Thus, modifying Stein et al in view of Deming to
8 transmit a money order would have provided an alternative means of funds transfer/payment,
9 being an obvious expedient to one of ordinary skill in the art.

10
11
12 **As per claim 25:**

13 The payment is transmitted as an instruction to have funds automatically deposited in an account
14 (see Stein et al., col. 5, lines 41-67).

15
16 **As per claim 26:**

17 The account is identified by at least one of the parties to the transaction prior to said transaction
18 (see Boston col. 6, line 7 to col. 6, line 63).

19
20 **As per claim 27:**

1 The account is identified as part of said payment request (see Stein et al., col. 7, lines 5-31).

2
3 **As per claim 29:**

4 The payment authorization request is submitted to a third party not directly associated with said
5 transaction (see Stein et al., col. 7, lines 49+).

6
7 **As per claim 30:**

8 The settlement indication comprises funds to satisfy said payment authorization request (see
9 Stein et al., col. 8, lines 37-56).

10
11 **As per claim 32:**

12 The risk management assessment system is configured to perform said risk management
13 assessment on the basis of credit and authentication information provided via said user interface
14 (Stein et al , col. 3, lines 37+)

15
16 **As per claim 37:**

17 The user interface is configured to solicit customer information from a party to said transaction
18 (see col. 3, lines 46-51).

1 **As per claim 38:**

2 The customer information includes buyer and seller information (see Stein et al., col. 5, lines 3-
3 9).

4
5 **As per claim 39:**

6 The buyer and seller information includes e-mail addresses for one or more parties to said
7 transaction (see Stein et al., col. 5, lines 9-14; and lines 56-67).

8
9 **As per claim 40:**

10 wherein one or more solicitations are presented by the user interface as Web forms to be
11 completed by at least one party to the transaction (see Stein et al., col. 6, lines 34-60).

12
13 **As per claim 41:**

14 the electronic transaction system is configured to process said payment request by submitting a
15 payment authorization request and, upon receiving a settlement indication regarding said
16 payment authorization request, transmitting said payment (see Stein et al., col. 6, line 62 to col.
17 7, lines 32).

1 **As per claim 44:**

2 The payment is transmitted as an instruction to have funds automatically deposited in an account
3 (see Stein et al., col. 5, lines 41-67).

4
5 4. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Stein et al (US
6 5,826,241) as modified by Boston as applied to claim 1 above, and further in view of Huberman
7 (US 5,826,244). The teachings of Stein et al as modified by Boston have been discussed above.

8 Stein et al as modified by Boston fails to explicitly disclose that the transaction comprises
9 an auction.

10 Huberman discloses a document service over the Internet in which there is transaction
11 comprising an auction (see Huberman Abstract). It would have been obvious for an artisan of
12 ordinary skill at the time the invention was made to employ the teachings of Huberman to the
13 teachings of Stein et al modified by Boston because such a modification would have provided
14 means to discover the proper price for a particular commodity based upon the supply and demand
15 for that specific product. Additionally, such a modification would have provided means for the
16 seller to adjust prices of specific items in real time in order to get a sale. Thus, comprise the
17 transaction as an auction would have constituted an obvious expedient to one of ordinary skill in
18 the art.

1 5. Claims 11, 28 and 42 are rejected under 35 U.S.C. 103(a) as being unpatentable over
2 Stein et al (US 5,826,241) as modified by Boston as applied to claim 1 above, and further in view
3 of Deming (US 4,823,264).

4 Stein et al (or Stein) as modified by Boston do not disclose the third party is an electronic
5 check acceptance and/or guarantee service provider, this is disclosed in Deming (see Deming
6 Abstract).

7 In view of Deming it would have been obvious to an artisan of ordinary skill at the time
8 the invention was made to employ the teachings of Stein as modified by Boston to the teachings
9 of Deming because an artisan would recognize electronic checks and guarantee services
10 providers as being old and well known in the art as a means to process financial transactions.
11 Thus to employ the teachings of Stein as modified by Boston to the teachings of Deming would
12 have provided an a notoriously old and well known alternative means to process financial data
13 and have constituted a matter of design choice to one of ordinary skill in the art.

14
15
16 ***Conclusion***

17
18 6. Any inquiry concerning this communication or earlier communications from the examiner
19 should be directed to ***Daniel S. Felten*** whose telephone number is (703) 305-0724. The
20 examiner can normally be reached between the hours of 7:00AM to 5:30PM Monday-Thursday.
21 Any inquiry of a general nature relating to the status of this application or its proceedings should

1 be directed to the Customer Service Office (703) 306-5631, or the examiner's supervisor
2 **Vincent Millin** whose telephone number is (703) 308-1065.
3

4 7. Response to this action should be mailed to:
5

6 Commissioner of Patents and Trademarks

7 Washington, D.C. 20231
8

9 for formal communications intended for entry, or (703) 305-0040, for informal or draft
10 communications, please label "Proposed" or "Draft".

11 Communications via Internet e-mail regarding this application, other than those under 35
12 U.S.C. 132 or which otherwise require a signature, may be used by the applicant and should be
13 addressed to [*daniel.felten@uspto.gov*].

14 All Internet e-mail communications will be made of record in the application file. PTO
15 employees do not engage in Internet communications where there exists a possibility that
16 sensitive information could be identified or exchanged unless the record includes a properly
17 signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly
18 set forth in the Interim Internet Usage Policy published in the Official Gazette of the Patent and
19 Trademark on February 25, 1997 at 1 195 OG 89.
20

21
22 *DSF*

23 DSF

24 November 29, 2001


VINCENT MILLIN
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 2100